



Memorandum

TO: Redevelopment Agency Board

FROM: Mayor Chuck Reed
Councilmember Liccardo

SUBJECT: Item 7.1 on March 20, 2007
Agency Board Agenda

DATE: March 19, 2007

Approved Chuck Reed Date 3/19/07
Sam Liccardo 3-19-07
RECOMMENDATION

Approve Property Use Agreements and an Office Lease with BEA Systems, Inc. (BEA) in connection with BEA's intention to acquire 488 Almaden Blvd. in Downtown San José.

BACKGROUND

BEA is a valued member of San José's high-tech community and has made a major commitment to "stay here and grow here." The proposed agreements benefit San José and retain and grow one of the world's leading infrastructure software companies. Having BEA's corporate headquarters downtown will have positive economic and social returns that encourage other companies to invest in downtown, as happened when Adobe moved into the downtown.

The benefits accruing to San José over the 30-year term of the agreements have been more than adequately documented and provide sound justification for the approval of the staff recommendations.

In a globally competitive environment, the BEA acquisition of 488 Almaden Blvd. will send a confident message to technology companies that San José offers prime space, excellent infrastructure, a high quality of life, and a business climate that supports retention and expansion of driving industries.